

THE LEONARD LETTER

*A weekly electronic newsletter about
California government, business and taxes*

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QUOTE OF THE WEEK

*“Men must have the right of choice, even to choose wrong,
if he shall ever learn to choose right.” --- Josiah C. Wedgwood
(1872-1943) British Member of Parliament*

UNDER THE DOME

*****Autopilot Spending*****

The LA Times and many other newspapers wail about the supermajority requirement to pass a state budget. Under their doomsday descriptions the world stands still until the two-thirds vote is achieved on the budget. The truth is that the California state budget is on autopilot with more than 85% of the spending determined by statutory formulas that are appropriated without a budget. Having a majority vote budget would not affect the big spending programs since separate bills are needed to tweak those formulas every year.

It is these “trailer” bills that are even more critical than the budget. They are called trailer bills because they follow, or trail, the budget when in reality they are “tractor” bills because they pull the budget into place. These trailer bills all require a two-thirds vote even if they do not appropriate any money. The reason is that another section of our state constitution requires that all urgency bills designed to take effect immediately must have a two-thirds vote. There is a good purpose for this. In return for the two-thirds vote, the people of California forfeit their right to referend all urgency bills. An urgency bill, no matter how bad it is, cannot be subject to a referendum and vote of the people, unlike all other statutes. Do the left wing media want the government to have this power?

The budget bill is pretty boring. It is the trailer bills where the real changes are made and the mischief takes place. I like the idea that two-thirds of the members of each house of the legislature have to go along with these changes to limit the mischief.

*****“Advocates” for What?*****

One news story about last week about the state budget passing with the votes of two Republican Senators included a list of the compromises and concessions that were made by all sides. The

first item on the list caught my attention for its irony: “Republican efforts to send more money to suburban school districts was dropped amid opposition from school advocates.” Think about that for a moment. A group of lawmakers were trying to get additional money to certain school districts around the state. Opposition to that additional education money came from “school advocates.” Two questions: 1) who are these “advocates”? and 2) do any of the school districts that just lost out on more money pay any part of their salaries? The answers are obvious to anyone familiar with the making of educational policy in California: 1) teachers’ unions and 2) yes. This also demonstrates the supreme power of the major urban school districts (i.e., Los Angeles and San Francisco) to the detriment of students around California. The Republicans wanted to send more money to the schools in their part of the state, but the bird dogs on the block would not hear of it. Keep in mind, I do not believe that more money equates to improved education for our kids, but usually when more money is offered, “advocates” scoop it up. In this case, they turned up their noses and schools in other areas of our state lose.

AROUND THE STATE

*****Volunteering to be Fired*****

Most people dread being fired. The economic uncertainty, the damage to personal reputation, etc., are discouraging, to say the least. Yet, if I were the president of the University of California, I would volunteer to be fired and do it for a lot less than the Regents are paying President Robert Dynes to leave. See the link below for details on his leaving salary, home loan help and pension.

<http://www.sfgate.com/cgi-bin/article.cgi?file=/c/a/2007/08/20/BAFDRKMES.DTL>

It is unfortunate that the leaders of our top universities are now fund raisers rather than academicians, and they are paid as rainmakers not educators.

*****Just Raise Taxes!*****

Finally, an honest liberal. Just raise taxes! At last someone will admit this budget fight and much of the state spending battles are over the long term goal to raise taxes -- all taxes. Using a model totally opposite that of a business, which must price its products to what the market will pay, government prices its taxes to match the spending desired. I love the irony of Nellen's advice. She advises California to do what people who need more money do: get a better job. Of course many individuals have followed that advice and gotten better jobs in other states.

http://www.mercurynews.com/ci_6668215?source=email

*****Fire Season*****

As of this writing, the Zaca fire, burning in the Ventura County portion of my district, has consumed nearly 223,000 acres. It is not expected to be fully contained until September 7th. And yet the worst of fire season may well be ahead of us. Yes, I know from personal experience.

My mom's house burned down when she was only seven years old. She has no photos, toys, or mementoes from before that fire. My niece's house burned in the 2003 disaster in San Bernardino. She and her husband escaped with their kids, their cars, their laptops, and the clothes on their back. Thank goodness. We “saved” some remodeled silverware and a crumbing tea cup, but everything else was gone, and I mean melted or combusted back to the molecular level. Much of their house and furnishings were unrecognizable. Their boat, including sections of the engine block, melted inside the garage.

Good fire insurance will give you the means to re-build if such a disaster strikes your home, so before Labor Day weekend arrives be sure to double check your fire insurance coverage. However, fire insurance will not bring back memories and fire insurance will not erase the horror of looking back and seeing your home consumed by fire. Certain homes do not catch fire as easily as others. Every fire department will advise you about defensible space, building techniques and property management that can minimize your risk. I urge you to take advantage of these resources before even more of California catches fire in the coming weeks and months.

ISSUE FOCUS

*****Global Warming Whoops*****

OpinionJournal's Best of the Web had a fascinating note recently. It began by reminding us about the dire warnings that preceded Y2K. You remember them: computers would crash, systems would break-down, etc. For the most part, the disasters did not occur, but the effect of one Y2K bug was just recently discovered. Michael Asher of DailyTech.com explained how Steve McIntyre, of climateaudit.org, found a “strange discontinuity, or ‘jump’” in worldwide temperature graphs all around January of 2000. The graphs came from NASA and so McIntyre requested that NASA's graph creators share the algorithm they used to make the graph. NASA would not release the formula, so McIntyre worked backward and, low and behold, found the graphs resulted from raw data that had been infected by a Y2K bug! Asher notes that NASA has “silently released” corrected data, which are quite different than the previous global warming panic-inducing data. Asher writes, “The warmest year on record is now 1934. 1998 (long trumpeted by the media as record-breaking) moves to second place. 1921 takes third. In fact, 5 of the 10 warmest years on record now all occur before World War II.” Best of the Web's James Taranto opines: “The one Y2K bug that happened to slip through was the one that contributed to another alarmist narrative. But when you think about it, it makes sense. NASA's faulty findings didn't look faulty to global warmists, who saw exactly what they were expecting to see.”

MISCELLANY

*****A Good Read*****

“The Professors: The 101 Most Dangerous Academics in America” by David Horowitz is worth reading simply for the author's introduction. If you are sending a young person off to college this month, you need to read at least that much of the book. In it, Horowitz examines how the American university has changed since he was a 17-year-old Marxist at Columbia. He notes that

not once did any of his professors express a political opinion, even though it was the height of the Cold War and they were ardent anti-Communist liberals. Today, such professionalism and academic integrity is stunningly endangered at our colleges. He explains how the university hiring and tenure process have stacked the decks with professors who bring their personal beliefs and radical activism into the classrooms and how poorly treated are students who may dare to express different views. In explaining how Harvard students lobbied for more diversity on the law school faculty, Horowitz quotes Prof. Alan Dershowitz, a noted liberal, thusly: "The true test for diversity for me is would people on the left vote for a really bright evangelical Christian who was a brilliant and articulate spokesperson for the right to life, the right to own guns...anti-gay approaches to life, anti-feminist views? Would there be a push to get such a person on the faculty? Now, such a person would really diversity this place. Of course not. I think blacks want more blacks, women want more women, and leftists want more leftists. Everybody thinks diversity comes by getting more of themselves. And that's not diversity." The biographies of the 101 professors are interesting and certainly fair warning for students enrolled at their universities, but everyone should read Horowitz's introduction to understand what is happening in our institutions of higher learning and consider the impact that has on the students being taught in that environment.

BOE AND LEGISLATIVE DATES

September 3, 2007 --- Labor Day.

September 7, 2007 --- Last day to amend on the Floor (J.R. 61(a)(13), A.R. 69(e)).

September 11-12, 2007 --- Board of Equalization meets in Sacramento.

September 14, 2007 --- Last day for any bill to be passed (J.R. 61(a)(14)). Legislative Interim Recess begins on adjournment (J.R. 51(a)(4)).

October 2-4, 2007 --- Board of Equalization meets in Sacramento.

October 14, 2007 --- Last day for Governor to sign or veto bills passed by the Legislature on or before Sept. 14 and in the Governor's possession after Sept. 14 (Art. IV, Sec.10(b)(1)).

October 23-24, 2007 --- Board of Equalization meets in Sacramento.

November 11, 2007 --- Veteran's Day (observed by state government on Monday, November 12)

November 14-15, 2007 --- Board of Equalization meets in Sacramento.

NOTABLE DATES/ HISTORY

Unless otherwise noted, credit for the California dates belongs to www.learncalifornia.org

August 27, 1904 --- In August of 1904, the water shortage of the city of Los Angeles became critical, as the overpopulated city experienced another summer of extreme drought. Its population had doubled to 200,000 in just four years, and the wells in which the desert city's lush facade rested upon were rapidly drying up. In response, the city's chief engineer, William Mulholland, began to actively seek out alternative sources of water, leading to the appropriation of water rights in the Owens Valley. Los Angeles thus continued its vicious water cycle: population growth led to increased demand for water, the supply of which, once supplemented, only led to further population increases.

August 27, 1982 --- Oakland A's outfielder Rickey Henderson stole his 119th base of the season, breaking Lou Brock's single-season record for major league baseball.

< <http://encarta.msn.com/encnet/features/onthistoday.aspx> >

August 28, 1784 --- Father Junípero Serra, the founder and first president of the California mission system, died at the age of 70. Born in 1713, Serra studied to be a Franciscan monk, and was ordained Junípero Serra. (Junípero was one of the companions of St. Francis of Assisi.) Sent to Mexico, he supervised the missions in Baja California until he joined the Portolà expeditions in 1769. Falling ill in San Diego, he stayed behind to found the first of the Alta California missions. He labored tirelessly for the California mission system, constantly pleading with indifferent Spanish officials for more support. He personally founded nine missions.

August 28, 1963 --- More than 200,000 people participated in the March on Washington, demanding full civil rights for black Americans. Martin Luther King, Jr. delivered the "I Have a Dream" speech. To hear the speech and see footage of the event, go to:

<http://www.americanrhetoric.com/speeches/mlkhaveadream.htm>

August 29, 1911 --- Ishi, the sole surviving member of the Yahi tribe, wandered into an Oroville slaughterhouse. The starving, confused man was initially arrested by the local sheriff, but was soon turned over to UC Berkley anthropologists. Ishi was born in the 1860s, at a time when his tribe was being exterminated by violent clashes with white settlers. Ishi and a small band of refugees fled to the foothills, where they slowly died off, until only Ishi remained. He proved an invaluable anthropological resource, providing detailed information about the traditional Yahi way of life. A remnant of the rich native culture that once flourished in California, he died in 1916 of tuberculosis.

August 29, 1966 --- The Beatles played their final live concert, at Candlestick Park in San Francisco, California. The band continued to record together until the breakup in 1970.

< <http://encarta.msn.com/encnet/features/onthistoday.aspx> >

August 30, 1146 --- European leaders outlawed the crossbow . . . intending to end war for all time. (Publisher's Note: Keep this in mind the next time you hear someone suggest that banning firearms will end violence, warfare, etc.)

< http://www.brainyhistory.com/events/1146/august_30_1146_31310.html >

August 30, 1938 --- Makeup expert Max Factor died in Beverly Hills. Factor began his Hollywood career by developing new types and techniques of makeup that were more subtle and natural before the camera than the thick and greasy stage makeup previously used by pioneering film actors. With the advent of technicolor, Factor invented a new blend of pancake makeup designed to prevent actors' faces from appearing on screen with artificial hues. Factor made a fortune promoting cosmetics for domestic use, advertising to housewives using pictures of female movie stars such as Bette Davis, Joan Crawford, and Ginger Rogers.

August 31, 1897 --- Thomas Edison received a U.S. patent for his kinetoscope, the forerunner to the motion-picture projector.

<http://memory.loc.gov/ammem/today/aug31.html>

September 1, 1849 --- Forty eight delegates gathered at Colton Hall in Monterey to establish a civil government for American California. General Bennett Riley, military governor, called for convention on his own authority when he learned that Congress had adjourned for the year without resolving California's status as a U.S. territory. The delegates immediately adjourned until September 3rd to give the convention leaders additional time to prepare.

September 1, 1807 --- Former American vice president Aaron Burr was acquitted on charges of treason for his alleged attempt to set up an independent republic in Spanish territory in the Southwest.

< <http://encarta.msn.com/encnet/features/onthistoday.aspx> >

September 1, 1983 --- In one of the last major incidents of the Cold War, a Soviet fighter plane shot down Korean Air Lines flight 007, killing all 269 on board, after it strayed into Soviet air space.

< <http://encarta.msn.com/encnet/features/onthistoday.aspx> >

September 2, 1849 --- The discovery of California gold proved a terrible temptation to poorly paid American sailors and soldiers, and hundreds elected to desert their units in order to pursue more lucrative prospects in the gold fields. To deal with the problem, the Military Governor of California, General George Mason, began issuing two month furloughs to troops in early September, 1849, to allow the men to pan for gold. As gold fever swept the nation, stores, businesses and farms were all hastily left behind as thousands upon thousands flocked to the fields, hoping to fulfill dreams of easy wealth.

September 2, 1864 --- Union armies led by General William Tecumseh Sherman occupied Atlanta, Georgia. They would burn much of the city before beginning their march to the Atlantic Ocean. <

<http://encarta.msn.com/encnet/features/onthistoday.aspx> >

September 3, 1783 --- The Treaty of Paris was signed between Britain on one side and France, Spain, and the United States on the other, ending the American Revolution.

< <http://encarta.msn.com/encnet/features/onthistoday.aspx> >

September 3, 1964 --- Leonore Modell, a 14-year-old from Sacramento, became the youngest person to swim the English Channel. She completed the swim in 15 hours and 30 minutes.

GENERAL TAX INFORMATION

For answers to your general tax questions, call the Board of Equalization information center. Customer service representatives are available to help you from 8:00 a.m. to 5:00 p.m. Pacific time, Monday through Friday (except state holidays).

Toll-free number: 800-400-7115
TDD service for the hearing impaired
TDD phones: 800-735-2929
Voice phones: 800-735-2922

To reach the Taxpayer Rights Advocate's office for assistance with any BOE issues, see <http://www.boe.ca.gov/tra/tra.htm>, or call toll-free 1-888-324-2798.

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